

Registered number: 10167296

U AND I (8AE) LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

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U AND I (8AE) LIMITED

COMPANY INFORMATION

Directors	M S Weiner (appointed 6 May 2016) R Upton (appointed 6 May 2016) M O Shepherd (appointed 6 May 2016) J S Hesketh (appointed 6 May 2016)
Company secretary	C J Barton
Registered number	10167296
Registered office	7a Howick Place London SW1P 1DZ
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

U AND I (8AE) LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Directors' responsibilities statement	4
Independent auditors' report	5 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 - 15

U AND I (8AE) LIMITED

**STRATEGIC REPORT
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

Business review and future developments

The principal activity of the company during the period and for the foreseeable future is that of property development and trading company. The directors do not foresee any changes in the future activities of the company.

The company entered in to a development and lease agreement to acquire a property in Lambeth, London in November 2016.

The financial statements cover the period from the date of incorporation on 6 May 2016 to 28 February 2017.

The loss for the 43 week period, after taxation, amounted to £397,557.

The directors do not recommend the payment of a dividend for the period.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks, particularly around market and operational risks in the current difficult market conditions. The company is a member of the U and I Group PLC group of companies. Further discussion of the risks and uncertainties, in the context of the group as a whole, is provided in the group's annual report which does not form part of this report.

Financial key performance indicators

The directors of U and I Group PLC manage the group's operations on a group basis. For this reason, the company's directors believe that an analysis using KPIs for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the company. The development, performance and position of the group is discussed in the group's annual report which does not form part of this report.

This report was approved by the board on 31 July 2017 and signed on its behalf.



C J Barton
Secretary

U AND I (8AE) LIMITED

**DIRECTORS' REPORT
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

The directors present their report and the financial statements for the 43 week period ended 28 February 2017.

The company was incorporated on 6 May 2016.

Results and dividends

The loss for the 43 week period, after taxation, amounted to £397,557.

The directors do not recommend the payment of a dividend for the period.

Details of the business review and future developments of the company are discussed in the Strategic report on page 1.

Directors

The directors who served during the 43 week period were:

M S Weiner (appointed 6 May 2016)
R Upton (appointed 6 May 2016)
M O Shepherd (appointed 6 May 2016)
J S Hesketh (appointed 6 May 2016)

Qualifying third party indemnity provisions

The company maintains directors' and officers' liability insurance, which is reviewed annually and is considered to be adequately insured. Such qualifying third party indemnity provisions remain in place at the date of approving the directors' report.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company U and I Group Plc. The directors have received confirmation that for the next twelve months, U and I Group Plc intends to support the company such that it can meet its liabilities as they fall due.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

U AND I (8AE) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

Auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 31 July 2017 and signed on its behalf.



C J Barton
Secretary

U AND I (8AE) LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of U and I (8AE) Limited

Report on the financial statements

Our opinion

In our opinion, U and I (8AE) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 28 February 2017 and of its loss for the 43 week period (the "period") then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.
-

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance sheet as at 28 February 2017;
- the Statement of comprehensive income for the period then ended;
- the Statement of changes in equity for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic report and the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Julian Jenkins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

31 July 2017

U AND I (8AE) LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

	Note	43 week period ended 28 February 2017 £
Administrative expenses		(397,557)
Operating loss	3	<u>(397,557)</u>
Tax on loss	5	-
Loss for the financial 43 week period ended 28 February 2017		<u><u>(397,557)</u></u>

There was no other comprehensive income for 2017.

The notes on pages 10 to 15 form part of these financial statements.

U AND I (8AE) LIMITED
REGISTERED NUMBER: 10167296

BALANCE SHEET
AS AT 28 FEBRUARY 2017

	Note	28 February 2017 £
Current assets		
Stocks	6	3,197,820
Debtors: amounts falling due within one year	7	234,265
		<u>3,432,085</u>
Creditors: amounts falling due within one year	8	<u>(3,829,641)</u>
Net current liabilities		<u>(397,556)</u>
Total assets less current liabilities		<u>(397,556)</u>
Net liabilities		<u>(397,556)</u>
Capital and reserves		
Called up share capital	9	1
Retained earnings		(397,557)
		<u>(397,556)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 July 2017.


M O Shepherd
Director

The notes on pages 10 to 15 form part of these financial statements.

U AND I (8AE) LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

	Called up share capital £	Retained earnings £	Total equity £
Comprehensive expense for the 43 week period ended 28 February 2017			
Loss for the 43 week period	-	(397,557)	(397,557)
Shares issued during the 43 week period	1	-	1
At 28 February 2017	<u>1</u>	<u>(397,557)</u>	<u>(397,556)</u>

U AND I (8AE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

1. Accounting policies

1.1 General information

U and I (8AE) Limited is a property development company. The company was incorporated on 6 May 2016 and this is the first period of accounts.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 7A Howick Place, SW1P 1DZ, London.

1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.3 Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company U and I Group Plc. The directors have received confirmation that for at least the next twelve months, U and I Group Plc intends to support the company such that it can meet its liabilities as they fall due.

1.4 Exemptions for qualifying entities under FRS 102

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, U and I Group PLC, includes the company's cash flows in its own consolidated financial statements.

This company discloses transactions with related parties which are not wholly owned within the U and I Group PLC group. It does not disclose transactions with members of the U and I Group PLC group that are wholly owned.

1.5 Stocks

Stocks are stated at the lower of cost and fair value less costs to sell, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase and includes directly attributable expenditure. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.6 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of

U AND I (8AE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

1. Accounting policies (continued)

1.6 Financial instruments (continued)

financial assets and liabilities like trade and other debtors and creditors and loans to and from group undertakings.

Financial assets

Cash and cash equivalents – Cash comprises cash in hand and on-demand deposits less overdrafts. Cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade debtors – Trade debtors are recognised at the original transaction value and subsequently measured at amortised cost. A provision for impairment is established where there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables concerned.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

U AND I (8AE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the company's accounting policies. Not all of these accounting policies require management to make difficult, subjective or complex judgements or estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements.

Stocks

Management undertake a review of the carrying value of its stocks on an annual basis to establish if there is any impairment to its value based on market evidence.

3. Operating loss

The auditors' remuneration of £3,500 has been borne by U and I Group PLC, the ultimate parent company.

4. Employees

The company has no employees other than the directors. Their remuneration, including pension costs, is not borne directly by the company but by U and I Group PLC. The entity has been recharged its share of overhead expenses, totalling £397,556. This includes directors' costs. However, the amount is not easily identifiable.

5. Taxation

There is no tax charge for the current period.

U AND I (8AE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

5. Taxation (continued)

Factors affecting tax charge for the 43 week period ended 28 February 2017

The tax assessed for the 43 weeks ended 28 February 2017 is higher than the standard rate of corporation tax in the UK of 20%. The differences are explained below:

	43 week period ended 28 February 2017 £
Loss on ordinary activities before tax	(397,557)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20%	(79,511)
Effects of:	
Group relief	79,511
Total tax charge for the 43 week period ended 28 February 2017	-

Factors that may affect future tax charges

The UK corporation tax rate for the year was 20% and this has been reflected in the financial statements. The main rate is reduced to 19% from 1 April 2017 and to 17% from 1 April 2020. These changes were substantively enacted in September 2016, before the balance sheet date. Within these financial statements deferred tax assets and liabilities have been recognised at these new rates in line with the timing they are forecast to be utilised in the future.

6. Stocks

	28 February 2017 £
Work in progress	3,197,820
	3,197,820

U AND I (8AE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

7. Debtors

	28 February 2017 £
Other debtors	234,265
	<u>234,265</u>

8. Creditors: Amounts falling due within one year

	28 February 2017 £
Amounts owed to group undertakings	3,556,690
Accruals and deferred income	272,951
	<u>3,829,641</u>

There is neither a set date nor terms for repayment of the unsecured amounts owed to group undertakings and interest is not charged on this balance.

9. Share capital

	28 February 2017 £
Shares classified as equity	
Allotted, called up and fully paid	
1 Ordinary share of £1	<u>1</u>

During the period the company issued 1 ordinary share of £1 for a consideration of £1 (this was settled through the intercompany account).

U AND I (8AE) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 43 WEEK PERIOD ENDED 28 FEBRUARY 2017**

10. Controlling party

The ultimate parent controlling company and the largest and smallest group of which U and I (8AE) Limited is a member and for which consolidated financial statements are prepared is U and I Group PLC.

The immediate parent company is U and I PPP Limited.

Both companies are incorporated in Great Britain and registered in England and Wales.

Copies of the annual report and financial statements of U and I Group PLC and U and I PPP Limited can be obtained from 7a Howick Place, London SW1P 1DZ.